



South Carolina House of Representatives

# Legislative Update

Robert W. Harrell, Jr., Speaker of the House

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# HOUSE WEEK IN REVIEW

The House of Representatives concurred in Senate amendments to **H.3720** and enrolled the bill for ratification. This bill relates to **ABSENTEE VOTING BY ARMED SERVICES PERSONNEL**. The bill directs the State Election Commission to take all steps necessary including, but not limited to, electronic transmissions, to ensure that all South Carolina residents eligible to vote as provided by the federal Uniformed and Overseas Citizens Absentee Voting Act have the opportunity to receive and cast any ballot they would have been eligible to cast if they resided in and had remained in South Carolina.

The House concurred in Senate amendments to **H.4328**, regarding the **STATEWIDE EDUCATION ASSESSMENT PROGRAM**, and enrolled the bill for ratification.

Highlights of the bill are as follows:

- Requires the Budget and Control Board to request proposals for the purpose of conducting a study on the feasibility and cost of converting the state assessment program to a computer-based or computer-adaptive format with the report issued no later than December 15, 2006. The bill lists specifications of the study.
- Changes the definition of 'objective and reliable statewide assessment' to allow for a portion of which to contain only multiple choice questions designed to reflect a range of cognitive abilities beyond the knowledge level.
- Includes a definition of 'formative assessment.'
- Further defines that the state assessment program be designed to promote student learning and provide professional development to educators.
- Clarifies that the exit examination is to be given first in a student's second year of high school enrollment.
- Specifies that the science and social studies portion of the exit exam shall be met by passage of a high school credit course in science and a course in United States history in which end-of-course examinations are administered beginning in 2010.
- Requires the State Board of Education to create by March 31, 2007, a statewide adoption list of formative assessments aligned with the state content standards and satisfying professional measurement standards in accordance with criteria jointly determined by the Education Oversight Committee and the State Department of Education; provides that for use beginning with the 2007-2008 school year, with funds appropriated by the General Assembly, local districts must be allocated resources to select and administer formative assessments;
- Requires the adoption of a developmentally appropriate formative reading assessment for use in the first and second grades.
- Requires on-going professional development in the creation and use of classroom assessments, the use of formative assessments and the use of the end-of-year state assessments.
- Requires field test items to be embedded with the annual assessments.
- Allows for the development of a sampling plan to administer science and social studies assessments for elementary and middle school students so that students would not be required to take both tests except in census grade testing as required by federal No Child Left Behind provisions.

- To ensure that school districts maintain the high standard of accountability established in the Education Accountability Act, performance level results reported on school and district report cards must meet percentage weightings established by the Education Oversight Committee in all four core content areas, beginning with the 2007 report card.
- Calls for the establishment of a task force to recommend alternative evidence and procedures that may be used to meet graduation requirements to be used in the rare instances where there is compelling evidence that a student is well-qualified for graduation, but extreme circumstances have interfered with passage of the exit examination.
- Requires the annual convening of curriculum experts to analyze the results of the assessments, including item by item performance and a plan for disseminating additional information about the assessment results to districts.

The House concurred in Senate amendments to **H.3879** and enrolled the bill for ratification. This bill **PROHIBITS COMPUTER-ASSISTED REMOTE HUNTING**. This bill provides that it is unlawful to engage in computer-assisted remote hunting, which is the use of a computer or any other device, equipment, or software, to remotely control the aiming and discharge of a firearm at an animal. This prohibition applies if either the animal hunted, or any device, equipment, or software to remotely control the firearm is located in this State. The bill also provides that it is unlawful to establish or operate computer-assisted remote hunting facilities in this State. A violator is guilty of a misdemeanor and, upon conviction for a first offense must be fined not less than five thousand dollars and/or imprisoned for not more than one year, and for a subsequent offense must be fined not less than ten thousand dollars and/or imprisoned for not more than five years. Upon conviction for a first offense, a person must forfeit any South Carolina hunting or fishing license for ten years. Upon conviction for a second offense, a person must permanently forfeit any South Carolina hunting or fishing license and is permanently ineligible to obtain a South Carolina hunting or fishing license. These provisions do not apply to a disabled hunter using medical equipment or devices designed to assist with his disability while engaged in the act of hunting.

The House concurred in Senate amendments to **H.3796** and enrolled the bill for ratification. This bill conforms statutory provisions for the licensure and regulation of **REAL ESTATE APPRAISERS** to the organizational framework established for professional and occupational boards under the administration of the Department of Labor, Licensing and Regulation.

The House approved. **S.511**, relating to the **USE OF INSURANCE PROCEEDS TO RECONSTRUCT DAMAGED PROPERTY GOVERNED BY THE HORIZONTAL PROPERTY ACT**, and enrolled the bill for ratification. The legislation provides for such repair or reconstruction upon a vote of eighty percent of the co-owners, or more if required by the property bylaws, and further provides for distribution of insurance proceeds.

The House concurred in Senate amendments to **H.3196** and enrolled the bill for ratification. This bill **AUTHORIZES A NONPROFIT CORPORATION TO USE AN ELECTRONIC BALLOT**.

The House and Senate appointed a conference committee to address differences between the bodies on **H.4671**, a bill revising the authority and procedures of the **ADMINISTRATIVE LAW COURT'S DIVISION OF MOTOR VEHICLE HEARINGS**.

The House refused to concur in Senate amendments to **H.4165**, relating to **CRITERIA FOR HIRING NATURAL RESOURCES ENFORCEMENT OFFICERS**.

The House approved and sent to the Senate **H.4886**, a concurrent resolution requesting the State Budget and Control Board to utilize reserve funds to provide the State Museum with sufficient funding to buy or otherwise reclaim three **BATTLE FLAGS OF THE AMERICAN REVOLUTIONARY WAR** captured by Lieutenant Colonel Banastre Tarleton during the Battle of the Waxhaws in Lancaster County on May 29, 1780. The resolution also requests the State Museum to also seek private funding and donations to help secure these important artifacts.

The House approved and sent to the Senate **H.4595**. This bill prohibits a person from engaging in the business of **RESIDENTIAL HEATING AND AIR CONDITIONING CONTRACTING** unless licensed as a residential specialty contractor. The legislation prohibits providing a potential buyer a proposal or contract for sale or installation of residential heating and air conditioning, other than a written estimate, before the specifications for the system have been reviewed and approved by a licensed employee of the retail seller, or the retail seller. The bill further specifies contract requirements for the sale and installation of a heating and air conditioning system and provides that the person installing equipment and systems must be licensed and comply with all applicable building codes, manufacturer's installation instructions, and permit and inspection requirements. The Department of Labor, Licensing and Regulation is authorized to promulgate regulations establishing a civil penalty for violations.

The House approved and sent to the Senate **H.4572**, relating to **GAME ZONE REVISIONS**, received a favorable report. Currently, the State is divided into eleven game zones. This bill reduces the number of game zones from eleven to six. Along with the revised boundaries of the game zones, the bill also amends various game hunting seasons and requirements.

The House, amended, approved, and sent to the Senate **H.4801**, relating to **MASTERS-IN-EQUITY FEES**. Currently, masters-in-equity may charge twenty-five dollars for preparation of a deed; the bill increases this fee to seventy-five dollars. **H.4801** also revises the maximum commission on certain sales of land. Currently, the maximum commission is two thousand, five hundred dollars; this bill increases the maximum commission to five thousand dollars.

The House recommitted to the Education and Public Works Committee **H.4350**, a bill which **ALLOWS CERTAIN PERSONS WHO WEAR BIOPTIC LENSES TO OBTAIN A DRIVER'S LICENSE**.

## HOUSE COMMITTEE ACTION

### AGRICULTURE, NATURAL RESOURCES, AND

## ENVIRONMENTAL AFFAIRS

The full committee did not meet this week.

## EDUCATION AND PUBLIC WORKS

The full committee did not meet this week.

## JUDICIARY

The full committee met on Tuesday, March 21, 2006.

**H.4801**, relating to **MASTERS-IN-EQUITY FEES**, received a favorable with amendment report from the full committee. Currently, masters-in-equity may charge twenty-five dollars for preparation of a deed; the bill increases this fee to seventy-five dollars.

**H.4801** also revises the maximum commission on certain sales of land. Currently, the maximum commission is two thousand, five hundred dollars; this bill increases the maximum commission to five thousand dollars.

The full committee gave a favorable with amendment report to **H.4559**, which provides a **UNIFORM METHOD OF FILLING A VACANCY WHEN A PERSON MOVES HIS RESIDENCE OUTSIDE THE AREA FROM WHICH HE WAS ELECTED OR APPOINTED**.

If a person who has been elected or appointed to an office moves his residence outside of the area from which he was elected or appointed, the member shall notify the presiding officer within fifteen days of the date of his residence changes as described in this section. If a member notifies the presiding officer that he has changed his residence to a place outside of the area from which he was elected or appointed, the presiding officer shall take action as appropriate.

If the governing body, commission, board, or other body to which the person has been elected or appointed receives information that a member has moved his residence outside of the area from which he was elected or appointed and the information is obtained from a source other than the member, it shall vote in open session to determine whether the information supports removing the member from office on the basis that the member has moved from the area from which he was elected or appointed. If the vote is affirmative, the member must be afforded a public hearing unless he waives the hearing in writing. Notice of a public hearing scheduled must be served on the member by certified mail, return receipt requested. At the conclusion of the public hearing, the governing body, commission, board, or other body to which the person has been elected shall vote in open session whether the member should be removed from office on the basis that the member has moved from the area from which he was elected or appointed. If the vote is affirmative, the office is declared vacant and the presiding officer shall take action as appropriate. If the vote is negative, the member continues in office.

If a position is determined to be vacant, the position must be filled as follows: (1) if the office originally was filled by appointment, the presiding officer shall notify the appointing officer or entity of the vacancy. Within ninety days after receiving notice, the officer or entity shall fill the vacancy by appointment for the remainder of the unexpired term; or (2) if the office originally was filled by election, the presiding officer shall notify the county election commission that the office is vacant. Upon receiving notice, the county election commission shall schedule a special election to fill the office for the remainder of the unexpired term.

**H.4509** received a favorable with amendment report. This bill provides that a **PERSON WHOSE DRIVER'S LICENSE HAS BEEN REVOKED DUE TO NONCOMPLIANCE WITH AN ORDER FOR CHILD SUPPORT MAY OBTAIN A SPECIAL RESTRICTED DRIVER'S LICENSE** under certain circumstances. The Department of Motor Vehicles (DMV) may issue the special restricted driver's license only upon a showing by the person that he is employed or enrolled in a college or university, and lives farther than one mile from his place of employment, place of education, place of worship, courthouse, attorney's office, or place authorized as part of court ordered visitation. If the DMV issues a special restricted driver's license, it shall designate reasonable restrictions on the times during which and routes on which the person may operate a motor vehicle. A change in the employment hours, place of employment, status as a student, residence, place of worship, choice of legal counsel, or place authorized as part of court ordered visitation must be reported immediately to the department by the licensee. The fee for each special restricted driver's license is one hundred dollars. The special restricted driver's license is available only as long as the person timely makes all required monthly child support payments that become due after the special restricted driver's license is issued. If the person fails to timely make each monthly child support payment after the special restricted license is issued, the DMV must revoke the license upon written notification by the Department of Social Services that the person is not complying with this provision.

The full committee adjourned debate on the following:

- **S.1145**, relating to the **STATE'S RESPONSIBILITIES UNDER THE FEDERAL UNIFORMED AND OVERSEAS CITIZENS ABSENTEE VOTING ACT**
- **H.4735**, pertaining to **THE FITNESS OF A PERSON CHARGED WITH A CRIME TO STAND TRIAL**

**H.4579**, relating to **SCHOOL TRUSTEES' TERMS OF OFFICE**, received a majority favorable with amendment report as well as a minority unfavorable report. As of Monday, March 27, 2006, the amendment was not available.

## **LABOR, COMMERCE AND INDUSTRY**

The full Labor, Commerce and Industry Committee met on March 21 and reported out two bills.

The committee gave a report of favorable with amendments on **H.4317**, a bill providing **ENVIRONMENTAL REQUIREMENTS ON THE DESIGN AND CONSTRUCTION OF**

**STATE BUILDINGS.** This bill revises the South Carolina Energy Efficiency Act so as to provide that the design and construction of a new building constructed on state property with a construction budget of more than ten million dollars must meet specified “green building” standards relating to energy efficiency and ecological sustainability. These requirements do not apply to state-funded design and construction of: parking garages or outdoor sports facilities; South Carolina State Ports Authority, South Carolina Public Service Authority, South Carolina Research Authority, and a public entity exempted by the Budget and Control Board; projects exempted by the Budget and Control Board as the result of evidence that compliance is clearly not in the best interest of the project; or projects in design or being constructed on the effective date of this legislation.

The committee gave a report of favorable with amendments on **S.46**, pertaining to **SERVICES PROVIDED BY A REAL ESTATE LICENSEE.** This bill provides that a real estate licensee who, by virtue of a written agreement with the owner, performs professional services incident to marketing, developing, or improving commercial real estate preparatory to or as a part of a commercial real estate lease or rental transaction has furnished labor or material for the improvement of commercial real estate. A real estate licensee shall not acquire a lien for furnishing such services unless: (a) the owner of the commercial real estate or the owner’s authorized agent authorizes the real estate licensee, under the terms of a written agreement, to lease an interest in the commercial real estate; and (b) the real estate licensee or the real estate licensee’s affiliated licensees provides licensed services that result, during the term of a written agreement, in the procuring of a person or entity that rents or leases the commercial real estate or rents or leases an interest in the commercial real estate upon terms contained in a written agreement. A real estate licensee shall not acquire a lien upon residential real estate for furnishing such services.

## **MEDICAL, MILITARY, PUBLIC AND MUNICIPAL AFFAIRS**

The full committee did not meet this week.

## **WAYS AND MEANS**

The full committee did not meet this week.

# **BILLS INTRODUCED IN THE HOUSE THIS WEEK**

## **AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS**

**S.680 MOTOR FUEL DISPENSED AT UNATTENDED SERVICE STATIONS**

**Sen. Sheheen**

This bill provides that motor fuel may be dispensed at an unattended service station, if the dispensing device has an automatic shut-off valve that is activated when the sale of the motor fuel reaches sixty-five dollars. In addition, the dispensing device must be equipped with certain emergency controls, including a fire extinguisher within seventy-five feet of the pump.

**S.1208 SHOOTING PRESERVES Sen. Land**

This bill revises the establishment and operation of shooting preserves. Provisions of the bill include:

- A shooting preserve is not restricted to a maximum number of contiguous acres.
- No new preserve may be licensed by the department without the approval of the majority of the legislative delegation of the county in which such preserve is to be located.
- The annual fee for obtaining a shooting preserve license is two hundred dollars for the first one hundred acres of shooting preserve area, plus fifty dollars for each additional one hundred acres or part of it. A separate application and fee is required for each area of contiguous acreage.
- For the privilege of shooting on licensed shooting preserves, a person may purchase a statewide shooting preserve license for not more than eight dollars and fifty cents. A shooting preserve license allows the shooting only of those species for which an individual shooting preserve is authorized.
- Legal shooting preserve species are pen-raised bobwhite quail, pheasants, and chukars. The department may designate additional species by regulation.
- A shooting preserve operator licensed as of December 31, 2005, to release pen-raised mallards or pen-raised turkeys may continue this privilege. Once the current shooting preserve operator chooses not to release pen-raised mallards or pen-raised turkeys, the privilege is revoked. If the current shooting preserve operator does not choose to apply for renewal of a shooting preserve license, the privilege is revoked. The current license may not be transferred in any form or manner at any time to anyone. The current license cannot increase or decrease current acreage.
- Each shooting preserve operator shall maintain a record of the number of shooting preserve designated species released and the number of shooting preserve designated species harvested by month from October through March of each shooting preserve season. Each shooting preserve operator shall maintain a record of the number of hunters and the number of hunts each month from October through March of each shooting preserve season. At the discretion of the department other records may be required. Operators must furnish the department a copy of these records within sixty days after the end of the shooting preserve season. If the department does not receive this required information within the sixty-day period, the shooting preserve license may not be issued for the next shooting preserve season.

**H.4878 LIFETIME COMBINATION LICENSES Rep. Jennings**

This bill provides that a resident of this State may obtain from the Department of Natural Resources at its Columbia office a lifetime combination license which grants the same privileges as granted to a person at least sixty-four years of age holding a statewide lifetime hunting and fishing license.



## EDUCATION AND PUBLIC WORKS

### **S.1004 STATEWIDE ASSESSMENT PROGRAM Sen. Short**

This bill repeals the Basic Skills Assessment Program, and requires and provides specifications for the State Budget and Control Board to request proposals for conducting a study on the feasibility and cost of converting the state assessment program to a computer-based or computer-adaptive format. The bill requires and provides for the Education Oversight Committee and the State Department of Education to convene an advisory panel to serve throughout the study and requires that the report be issued to the General Assembly by December 15, 2006. The bill requires that assessments include a writing assessment designed to reflect a range of cognitive abilities beyond the knowledge level.

The bill defines “formative assessment” to mean assessments used within the school year to analyze general strengths and weaknesses in learning and instruction, to understand the performance of students individually and across achievement categories, to adapt instruction to meet students’ needs, and to consider placement and planning for the next grade level. The bill requires the State Board of Education, by March 31, 2007, to create a statewide adoption list of formative assessments as provided in the bill.

The bill requires that beginning with the graduating class of 2010, students must pass a high school credit course in science and a course in U.S. History in which end-of-course exams are administered to receive the state high school diploma.

The bill requires and provides for the State Board of Education to adopt a developmentally appropriate formative reading assessment for use in first and second grades to be administered initially in the 2007-2008 school year. The bill requires the State Board of Education to provide on-going professional development to support appropriate use of the assessment.

The bill includes provisions requiring field test items to be embedded with the annual assessments and provides for annual science and social studies assessments. The bill requires the State Board of Education to establish a task force to recommend alternative evidence and procedures that may be used to allow students to meet graduation requirements even if they have failed the exit exam. The bill requires the State Department of Education to provide continuing teacher training to ensure the valid and reliable use of the assessments, and develop a minimum statewide data collection plan to include the amount and types of evidence to be collected. Beginning with the 2006-2007 school year, the bill requires the readiness assessment to be modified to provide detailed information on student literacy development.

The bill requires that beginning with the 2005 assessment results, the State Department of Education must convene annually a team of curriculum experts to analyze the results of the assessments. This analysis must yield a plan for disseminating additional information about the assessment results and instruction and the information must be disseminated to districts by January 15 of the subsequent year.

### **H.4879 STATE BOARD OF EDUCATION Rep. Vaughn**

This bill revises the membership of the State Board of Education by providing for the election of the members by the General Assembly from the congressional districts of the State and from the State at large with one member appointed by the Governor. The bill also prohibits a person from serving on the Board if his family member is employed by the Department of Education or a school district.

**H.4880 COMPOSITION OF STATE BOARD OF EDUCATION Rep. Vaughn**

This joint resolution proposes to amend the State Constitution by deleting the composition of the State Board of Education from the Constitution and providing that the composition of the Board must be as the General Assembly shall specify by law.

**H.4887 OFFICIAL STATE ALPHABET Rep. Huggins**

This bill provides that the South Carolina alphabet using symbols of the State to denote particular letters as trademarked in the Office of the Secretary of State is designated as the official alphabet of the State of South Carolina.

**H.4894 REQUIREMENT FOR SCHOOLS WITH UNSATISFACTORY RATINGS Rep. Clyburn**

This bill provides that a school that has received an unsatisfactory academic performance rating on its most recent report card shall offer an orientation class for parents of students who attend that school. The bill also provides topics on which the orientation class must focus.

## JUDICIARY

**S.229 AMENDMENTS TO THE ANIMAL FIGHTING AND BAITING ACT  
Sen. Grooms**

The bill provides that a person who violates a provision of the Animal Fighting and Baiting Act is subject to forfeiture of property, monies, and certain other things of value. There are provisions for the seizure of items with or without a warrant. The bill also outlines provisions to protect the interests of innocent owners.

The bill further provides that the provisions of the Animal Fighting and Baiting Act shall apply to events more commonly known as 'hog-dog fights', 'hog-dog rodeos', or 'hog-dogging' in which bets are placed, or cash, points, titles, trophies, or other awards are given based primarily on the ability of a dog to catch a hog using physical contact in the controlled environment of an enclosure.

This bill provides that for purposes of a hearing to determine whether an owner is able to provide adequately for the animal and is fit to have custody of the animal, any animal found to be owned, trained, possessed, purchased, sold, transported, or bred in violation of the Animal Fighting and Baiting Act must be considered cruelly treated and the owner must be deemed unfit.

**S.301 ABSENTEE BALLOTS Sen. Ford**

Relating to persons qualified to vote by absentee ballot, this bill provides that a qualified elector meeting certain requirements must be permitted to vote by absentee ballot by mail. The bill further provides that any qualified elector must be permitted to vote by

absentee ballot in any election in which he is entitled to vote for any reason, if the qualified elector appears in person to cast an absentee ballot.

**S.616 CESSATION OF ALIMONY AND SPOUSAL SUPPORT UPON THE REMARRIAGE OF THE SUPPORTED SPOUSE** Sen. Knotts

This bill provides that a remarriage of a supported spouse, which is later annulled by a court of competent jurisdiction, shall cause the cessation of alimony or spousal support. The parties to a divorce or separation agreement may enter into a consent order to permit continued support.

**H.4865 CONFINEMENT OF PRISONERS** Rep. Davenport

This bill provides that the Department of Corrections may enter into agreements with foreign countries for the confinement of inmates convicted of drug related offenses or offenses related to the sexual abuse of children.

**H.4877 DOCUMENT OF RESCISSION** Rep. Clemmons

If a person records a satisfaction or affidavit of satisfaction of a mortgage or other lien affecting real property in error or a mortgage or other lien affecting real property is satisfied of record erroneously by another means, this bill provides that the person or the secured creditor may execute and record a document of rescission. Upon recording, the document of rescission rescinds the erroneously recorded satisfaction or affidavit and the erroneous satisfaction of record of the mortgage or other lien affecting real property and reinstates the mortgage or other lien affecting real property.

A recorded document of rescission does not affect the rights of a person that: (1) records an interest in the real property described in a mortgage or other lien affecting real property after the recording of the satisfaction or affidavit of satisfaction of the mortgage or other lien affecting real property or the erroneous satisfaction of record of the mortgage or other lien affecting real property by other means and before the recording of the document of rescission; and (2) would otherwise have priority over or take free of the lien created by the mortgage or other lien affecting real property as reinstated.

The bill further provides that a person who erroneously or wrongfully records a document of rescission is liable to a person injured by the recording of the actual loss caused by the recording and reasonable attorney's fees and costs.

**H.4890 MENTAL CRUELTY AS A GROUND FOR DIVORCE** Rep. D.C. Smith

This bill includes mental cruelty as a ground for divorce.

**H.4891 MENTAL CRUELTY AS A GROUND FOR DIVORCE** Rep. D.C. Smith

This joint resolution proposes to submit to the qualified electors at the next general election whether or not the State Constitution should be amended so as to include mental cruelty as a ground for divorce.

## **LABOR, COMMERCE AND INDUSTRY**

### **S.1033 CONTRACTOR LICENSE SWIMMING POOL SUBCLASSIFICATION**

**Sen. J. V. Smith**

This bill provides that work under the swimming pool subclassification does not require a technical pool examination for either prefabricated pools or residential aboveground pools that are assembled above ground. A swimming pool subclassification license is not required to apply paint or sealant to the inside of a pool or spa or to pool decks. A swimming pool subclassification license is not required of an owner of residential property who constructs, services, or repairs a swimming pool or spa on the property if he does the work himself, with his own employees, provided the property is intended for the owner's sole occupancy or occupancy by the owner's family and is not intended for sale or rent.

### **S.1238 NEW NUCLEAR ELECTRIC GENERATION UNITS** **Sen. McConnell**

This bill revises provisions for joint ownership of the VC Summer nuclear electric generating station in Fairfield County, so as to authorize new nuclear generation units at the site and allow these units to be jointly owned by the South Carolina Public Service Authority with privately owned electric utilities.

### **H.4889 CANCELLATION OF AN INSURANCE POLICY FOR FAILURE TO PAY**

**PREMIUMS** **Rep. Bingham**

This bill revises provisions relating to the minimum duration of insurance issued to meet motor vehicle financial responsibility requirements, so as to authorize the cancellation of a contract or insurance policy if the insured fails to pay the premium for the policy or an installment of the premium when it is due.

### **H.4892 DISPUTED MONIES RECEIVED BY A REAL ESTATE BROKER**

**Rep. Edge**

This bill provides a procedure to be followed by a real estate licensee if the ownership of monies received by a real estate broker is in dispute.

## **WAYS AND MEANS**

### **H.4874 "SOUTH CAROLINA ECONOMIC DEVELOPMENT INCENTIVE ACT"** **Rep. Harrell**

This bill enacts the "South Carolina Economic Development Incentive Act," authorizing and providing for a manufacturing facility to claim a twenty-five percent tax credit for costs it incurs in complying with whole effluent toxicity testing.

The bill provides that purchases of natural gas made by a manufacturing property are exempt from the sales tax if natural gas prices equal or exceed \$6.50 for each decatherm.

Relating to the apportionment of income for certain businesses, the bill provides for the calculation of apportioned income using sales figures. The bill includes a bank as a taxpayer who may qualify for the job tax credit. Relating to a tax credit against income

tax for companies using the state's port facilities, the bill provides for the allocation of the total amount of the credits annually.

Regarding the income tax credit for corporate headquarters, the bill includes a bank's headquarters and provides that a "company business unit" is an organizational unit of a corporation or bank and is defined by the particular product or category of products it sells. The bill allows for a reduction against the job development tax credit for taxes due and includes certain employee relocation expenses as qualifying expenses. The bill exempts from the state sales tax construction materials used in building a single manufacturing and distribution center with certain minimum investments. Relating to qualification of an inducement lease agreement for the fee in lieu of property taxes, the bill reduces the minimum investment requirement and deletes certain investments from a four percent minimum investment ratio. Relating to the fee in lieu of property taxes for industrial development projects, the bill deletes certain investments from a four percent minimum assessment ratio and reduces the minimum investment requirement.

**H.4875 INCOME TAX CREDIT FOR SOLAR OR WIND ENERGY SYSTEM Rep. J.H. Neal**

This bill allows and provides for a state income tax credit of thirty percent of the cost paid or incurred by a taxpayer for the purchase and installation of a solar or wind energy system installed on property in this State.

**S.1175 TARGETED JOBS TAX CREDIT Sen. Leatherman**

For purposes of the targeted jobs tax credit, this bill revises the definition of "distribution facility" by providing that retail sales made inside the facility to employees working at the facility are not considered for purposes of twelve-day and seventy-five percent limitation.

The bill revises the manner in which certain eligible taxpayers may elect to claim the jobs tax credit. The bill provides that beginning with the first full month wages are paid for the new full-time jobs created, the taxpayer is allowed a jobs tax credit equal to 8.33 percent of the maximum credit amount each month for not more than sixty consecutive months, multiplied by the number of new full-time jobs for which wages are paid for the full month. The bill provides that the five-years-from-enactment repeal provision for certain tax incentives does not apply to the small business targeted jobs tax credit as amended by this bill.

**H.4882 SOUTH CAROLINA STATE HOSPITAL PROPERTY Rep. Cooper**

This bill provides that South Carolina State Hospital property under the control of or assigned to the Department of Mental Health by the department that is not in use may be sold or leased as provided in the bill. The bill creates a restricted account for the deposit of proceeds from such sale or lease and provides that these funds must be used to support adult long-term care, acute care, and forensic services lost with the closure of the State Hospital. The bill prohibits the Department of Mental Health from using these funds to supplant its current level of appropriated funding and requires the Department to report quarterly to the Governor and to the General Assembly on the use of the funds.

**H.4888 CIGARETTE TAX Rep. Rice**

This bill provides for a phased-in tax on cigarettes beginning with 1.5 cents on each cigarette and increasing by .25 cents on each cigarette each year over the following two years after the tax takes effect. The bill establishes the Youth Smoking Prevention and Cessation Fund into which must be deposited four percent of the revenue generated

from the tax and which must be used for youth smoking prevention and cessation programs. The bill dedicates one percent of the revenue from the tax to the Department of Agriculture for research and promotion of healthy lifestyles with food grown in South Carolina. The bill establishes the South Carolina Health and Prevention Fund and provides that the remaining revenue from the tax must be credited to this fund and appropriated in the annual Appropriations Act by the General Assembly to critical programs that meet the health needs of South Carolinians, including funds for Medicaid matching funds each year, as needed.

**H.4893 REPRESENTATION DURING THE ADMINISTRATIVE  
TAX PROCESS Rep. Edge**

This bill allows a real estate licensee to represent a taxpayer in the administrative tax process in a matter limited to questions concerning the market value of real property.

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